

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH

Joint Investigation by DPH and PURA of REJA's (Rainbow Springs)
Request to Cease Operations as a Water Company

DOCKET NO. 14-12-21

INTERROGATORY COMPLIANCE

RA-1 to RA-7

REJA Acquisition Corporation - Rainbow Springs Division

Date: March 8, 2015

Joint Investigation by DPH and PURA of REJA's (Rainbow Springs) Request to Cease Operations as a Water Company, Docket Number 14-12-21

Prepared by: John Wittenzellner Jr.

Interrogatory RA-1:

(RATES) Provide copies of Rainbow Springs system's tariffs, miscellaneous fees and its rules and regulations for the last five years.

Response:

Rainbow Springs water system serves 8 customers and was never part of the water companies regulated by PURA. Therefore there are no tariffs, miscellaneous fees and its rules and regulations for the last five years. The Rockville Superior Court heard a case regarding this system and set the rates for the company. The rates for Rainbow Springs have been in place since the decision was rendered.

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Interrogatory RA-2:

(RATES) Provide Rainbow Springs system's income statements and receivables for the last five years.

Response:

See "Exhibit No. 7".

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Prepared by: John Wittenzellner Jr.

Interrogatory RA-3:

(RATES) How many residential and commercial/industrial customers does Rainbow Springs have in its water system? Is the customer's service metered? If not, explain why not?

Response:

There are 8 residential and no commercial customers served by the Rainbow Spring water system. The customers of Rainbow Springs are not metered. The rates for Rainbow Springs were ordered by the court and set as flat rate.

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Interrogatory RA-4:

(RATES) Have the rates that have been assessed to the Rainbow Springs system's customers been sufficient to cover the day to day operations and maintenance of the water system, such as water treatment and testing, chemicals and electricity? Explain.

Response:

No. Information was given to the court to identify the costs to operate the system at that time. Since that time, rate relief has not been requested as the current costs associate with the completion of a rate case.

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Interrogatory RA-5:

(RATES) Has Rainbow Springs had to assess any surcharges to its water customers for any reason in the past? If yes, how was the surcharge allocated or assessed? If not, explain why not.

Response:

No. Rainbow Springs water system is too small to operate with any of the efficiencies that are available for the normal sized small water system. Adding a surcharge would only cause unnecessary customer service and customer relations problems. This is one of the main reasons that Rainbow Springs filed to abandon this system in 2009.

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Interrogatory RA-6:

(RATES) How are the Rainbow Springs Water System customers billed for water service and who is responsible for billing and processing payments?

Response:

Quinn & Company, LLC located at 377 Hubbard Street, Glastonbury, Connecticut provides billing, bookkeeping and accounting services for Rainbow Springs.

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Interrogatory RA-7:

(RATES) Does REJA have a monetary reserve for any unanticipated repairs or upgrades to the Rainbow Springs Water System? If so, state the amount. If not, why not. Explain how the costs for an unanticipated repair would be assessed to the customers

Response:

No. The Rainbow Spring water system does not receive income to allow payment of operations or management of the water system. If an unanticipated repair or upgrade is necessary, the owners will pay the expense incurred.